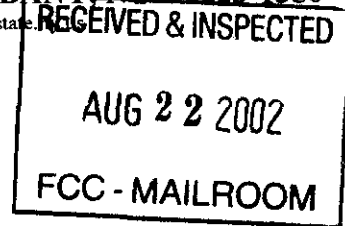


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STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

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Secretary

August 5, 2002

Hon. Marlene H. Dortch
Secretary
Federal Communications Commission
The Portals II
445 Twelfth St., S.W.
Washington, D.C. 20554

**Re: Comments of the New York State Department of Public Service
In the Matter of Section 272(f)(1) Sunset of the Bell Operating
Companies Separate Affiliate and Related Requirements;
WC Docket No. 02-112**

Dear Secretary Dortch:

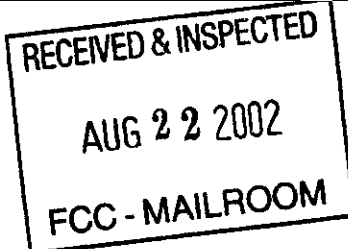
On May 24, 2002, the Federal Communications Commission (Commission) released a Notice of Proposed Rulemaking (Notice) regarding separate affiliate and related non-discrimination requirements (related requirements) for Bell Operating Companies (BOCs) that provide in region, long distance telecommunications services. Specifically, the Commission seeks comments on whether the separate affiliate and related requirements pursuant to Section 272(f)(1) of the Telecommunications Act should be sunset or extended or whether the Commission should adopt alternative safeguards.¹

The issues regarding the continuation of the separate subsidiary requirements for Verizon in New York are not ripe. The New York State Department of Public Service (NYDPS) is concerned that any modification and/or termination of the separate affiliate and related requirements may be premature in New York since Verizon has no plans to integrate its long distance affiliate into its network operations at this time. If Verizon indicates a desire to

¹ Without Commission action, New York's separate affiliate and related requirements are set to expire in December 2002. Congress however preserved the Commission's right to extend the separate affiliate and related requirements for an indefinite period of time. The statute specifically states that the requirements of section 272 cease to exist unless the Commission extends such three-year period by rule or order.

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Docket No. 02-112
August 5, 2002
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eliminate the separate subsidiary, the issue will ripen and the framework of Verizon's plan will allow an appraisal of the costs and benefits of the separate affiliate and related requirements.

Respectfully submitted,

Lawrence G. Malone
General Counsel
Brian Ossias
Assistant Counsel
Public Service Commission
of The State Of New York
Three Empire State Plaza
Albany, New York 12223